

A wide-angle photograph of the Pacheco Reservoir. In the foreground, a concrete dam with a metal railing runs along the right side of the frame. The water is calm and reflects the sky. In the background, there are rolling green hills under a blue sky with light clouds. A power line tower is visible on the horizon.

Water Storage Investment Program

Pacheco Reservoir Expansion Project
Eligibility and Feasibility Determination

California
WATER COMMISSION

December 2021

WSIP Background

Water Code section 79757 requirements:

By January 1, 2022

- Feasibility studies are complete
- Draft environmental documentation is available for public review
- Commission makes a finding project is feasible
- Commission makes a finding that the project will advance the long-term objectives of restoring ecological health and improving water management for beneficial uses of the Delta
- Director of DWR receives commitments for not less than 75% of non-public benefit cost share of the project

WSIP Background

- **June 2018:** The Commission determined final application scores and made nine determinations for each project
 - Commission made determination: project *appears* feasible
 - Commission made determination: project will advance long-term objectives of Delta
- **Since 2018** applicants have been working to complete feasibility studies and eligibility requirements set forth in Water Code section 79757
- **Today** Staff presents
 - Review of feasibility documentation and recommendation
 - Status of continuing eligibility requirements for the Pacheco Reservoir Project
- **Decision on feasibility only, no funding decisions will be made at this meeting**

Pacheco Reservoir Expansion Project

Santa Clara Valley Water District (Valley Water)

- Regional Surface Storage Project
- MCED: \$496,663,750
- Public benefits: Ecosystem, Emergency Response



Complete Feasibility Studies

Technical Reference defines feasibility in 5 categories

- **Technical feasibility**
- **Constructability**
- **Environmental feasibility**
- **Economic feasibility**
- **Financial feasibility**

Pacheco Reservoir Expansion Project Complete Feasibility Studies

Documents reviewed:

- **2017 Application materials**
- **2018 Review materials**
- **2021 Supplemental Feasibility Documentation**
- **2021 Draft EIR**

Pacheco Reservoir Expansion Project

Technical Feasibility & Constructability

Regulations require:

- **Technical feasibility & Constructability**– Project is technically feasible based on how it will operate and can be constructed with existing technology and availability of materials, etc.

Review found:

- **Operations, engineering designs and costs and construction methods demonstrate project can be technically and physically constructed**
- **Feasibility study includes Sensitivity Analysis Alternative (conventional earthfill dam type) as a result of DWR's Division of Safety of Dams review of proposed hardfill dam concept**

Pacheco Reservoir Expansion Project

Environmental Feasibility

Regulations require:

- **Project is environmentally feasible and significant issues mitigated or lead agency plans to file statement of overriding considerations**

Review found:

- **Significant impacts and mitigation measures identified**
- **Valley Water anticipates filing SOOC**
- **Documentation demonstrates environmental feasibility**

Pacheco Reservoir Expansion Project

Economic Feasibility

Regulations require:

- **Expected benefits equal or exceed expected costs**

Review found:

- **Project has changed since application: location, cost, economic benefits claimed**
- **Based on a review of all benefits and costs, as adjusted by staff, benefits exceed costs showing the benefit to cost ratio is greater than one which demonstrates economic feasibility**

Pacheco Reservoir Expansion Project

Financial Feasibility

Regulations require:

- **Sufficient funds available to cover costs of construction and operation over life of project**

Review found:

- **Valley Water's strong financial base, ability to pay for the project and commitment to pay for substantial share of costs allocated to ecosystem benefits shows financial feasibility**

Statutory Requirement Complete Feasibility Study

- **Feasibility study information addressed the five feasibility categories and is complete**

Statutory Requirement Draft Environmental Documentation Available for Public Review

- **Draft EIR released in November 2021**

Statutory Requirement

Director Receives 75% Commitments

- **Letter of commitment from Valley Water received**
- **Director of DWR received letter and supporting documentation on November 19, 2021**

Pacheco Reservoir Expansion Project

Program Eligibility

- **Statutory Requirements met:**
 - Complete feasibility studies and draft environmental documentation
 - Director receives 75% commitment
- Based on documentation received, Staff recommends Commission find project feasible

Pacheco Reservoir Expansion Project Eligibility

Commission Decision:

- If Commission determines project is feasible, project continues to work towards returning for a final funding hearing
- If Commission does not make a finding, project no longer eligible for funding under WSIP



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